(b) and (c) Do not arise.

World Bank's Assessment of Dabhol Power Project

2130. SHRI RAMACHANDRAN PILLAI: Will the Minister of POWER be pleased to state:

(a) whether Government are aware of an World Bank Memo dated 30th April, 1993 on Dabhol Power Project;

(b) if so, whether the memo conclude that the said project is not a least cost choice for base land power generation, compared to Indian coal and local gas and project could displace lower cost coal-fired generation in the off-peak periods;

(c) whether the risks of the LNG based project i.e. large minimum consumption, dependence on one power generator and one LNG supplier need reconsideration;

(d) whether the plant would be required to work as base land unit, which would prevent the utilisation of a combined cycle plant;

(e) whether the project would plant a heavy burden on Maharashtra State Electricity Board;

(f) whether substantial adjustments in tariffs would be required to recover the cost of project from the consumers and to safeguard Maharashtra State Electricity Board's financial position; and

(g) what are Government's reaction to the above?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) and (b) Yes, Sir.

(c) Keeping in view the observations of the World Bank the Phase I and Phase II of the project were delinked. Phase I of 695 MW will run on distillate oil No. 2 at the beginning and switch over to gas as soon as it is available. There is no legal binding on the part of either Maharashtra State Electricity Board (MSEB) or the Dabhol Power Company for taking up Phase II.

The project does not depend on one larger generator, Phase I is built with two base load gas turbines and one steam turbine and one peaking turbine. This will provide more technical flexibility for various levels of generation than a similar size coal-fired plant.

(d) The plant has been designed as a combined cycle plant and will provide maximum efficiency when operating in the base load mode.

(e) No, Sir.

(f) and (g) The addition of 695 MW in 1997 would result in the generation of 5,234 million units of energy which will be about 11% of the total energy expected to be available in the MSEB's system in 1997. MSEB intimated that adjustment in the electricity tariff would not be a problem of such a magnitude as apprehended by the World Bank. The demand of industrial sector alone is expected to increase considerably in the MSEB system.

Power Generation in Hydel Power Sector

2131. SHRI RAJNI RANJAN SAHU: Will the Minister of POWER be pleased to state:

(a) whether percentage power contribution of hydel power sector to overall power generation in the country has been consistently declining from plan to plan;

(b) if so, how far it has declined over the Fifth, Sixth, Seventh and Eighth Five Year Plan; and

(c) whether in view of the highly eco-friendly nature, hydel power potential is proposed to be more intensively tapped; if so, the details of the steps proposed to be taken in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) and (b) The hydro power which constituted 40.60% of the total installed capacity at the end of Vth Plan has declined to about 26% of the total installed capacity. The extent of decline over the period is indicated below:—

End of Plan	Total Capacity (MW)	Hydro Power Capacity (MW)	Hydro Power as % of Total
Vth	26680.06	10833.07	40.60
VIth	42584.72	14460.02	33.96
VIIth	63636.34	18307.63	28.77
VIIIth			
(1992-93)	72319.46	19568.76	27.05
(1993-94)	76618 21	20365.91	26.55
(1994-95) as on 30-11-1994	78177.21	20418.41	26.12